KEYSPAN ENERGY DELIVERY NEW ENGLAND D.T.E. 05-68

SECOND SET OF INFORMATION REQUESTS OF THE DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY TO KEYSPAN ENERGY DELIVERY NEW ENGLAND

DTE 2-7

Date: February 14, 2006 Respondent: Leo Silvestrini

- Q. Please indicate whether the End-Use Model uses different algorithms for each of KeySpan's service areas. Explain why they are different or the same.
- A. The Company uses the same algorithms for each of the service areas encompassed in the KeySpan service territory. This is appropriate because the *variables* that drive consumption are the same in each area. However, the *data values* and *coefficients* associated with each respective variable may differ among service areas depending on the unique characteristics of the area (e.g., customer demographics, economic circumstances, geographic layout). For example, one variable driving consumption is the number of households. The forecast of the number of households varies by service area, and therefore, the coefficient of the household variable will also vary by territory.